



- Sirius XM News
- Contributors Wanted!
- FAQ's / Help
- Terms Of Service
- Contact
- Investors Forum & Live Chat
- Subscribe

## It's Time To Tell F.C.C. What You Think: Fire At Will

02/23/2011

By [Brandon Matthews](#)

### [Denver Coupons](#)

1 ridiculously huge coupon a day. It's like doing Denver at 90% off!  
[www.Groupon.com/Denver](http://www.Groupon.com/Denver)

Twenty nine days ago, the F.C.C. ignored [the request of Sirius XM](#) to allow for the termination of the voluntary price freeze offered by the company, as a condition of the merger. Instead the F.C.C. issued a public notice, suggesting that the F.C.C. itself can dictate the content and pricing abilities of the Satellite Radio provider, much like a dictator in Libya or North Korea might do. The F.C.C. responded to Sirius XM's request with the following statement:

Alternatively, we seek comment on whether the public interest would be best served if the price cap condition were extended beyond three years. If a price cap is still necessary, should the price cap be extended in its current form or should it be modified? If it should be extended, for what period of time should it continue? Any commenter who proposes that the price cap be extended is asked to explain why such extension is necessary and would serve the public interest under current market conditions.

Any commenter who proposes that the price cap be modified is asked to propose specific modifications and to explain how its proposals will serve the public interest. If the price cap is extended, should we raise the dollar amount of the price cap to reflect increased costs (e.g., programming costs, labor costs, inflation)? If so, how should the amount be determined? Under the existing price cap, Sirius XM is not permitted to reduce the number of channels in the programming packages subject to the price cap during the three years.

**Should we allow Sirius XM to change the number of channels offered under a modified price cap or otherwise alter the structure of its program packaging?**

At the time this public notice was issued, I suggested that no action be taken, expecting some sort of reply by the terrestrial radio lobby to stall the action as we have witnessed time and time again. The comment period however, will expire tomorrow, on February 24, 2011. A subsequent comment reply will remain open until March 11, 2011. Comments issued during the comment period carry more weight than replies to comments, as comments are a cause of action, while replies are reactionary.

There is every chance that opposition lobbying groups will be filing their comments by tomorrow, seeking to delay any action that could promote the content growth, or broadcast distribution of Satellite Radio. For this reason, I now suggest submitting responses to the F.C.C. on this issue. I have submitted the following letter myself this morning:

To Whom it May Concern,

I am writing as both a long time Satellite Radio subscriber and (small) investor in Sirius XM Radio. I enjoyed satellite radio so much that I first bought the stock, and subsequently created a Satellite Radio news website; [SatwavesPro.com](http://SatwavesPro.com).

I have watched over the years as the F.C.C. itself has prevented Satellite Radio at every turn from evolving organically. While much is made of the 17 months it took to approve the merger, the delay pales in comparison to the time it took to resolve W.C.S. issues and to allow the residents of Alaska and Hawaii to receive Satellite Radio.

As a condition of the merger, Sirius XM agreed to a 36 month voluntary price freeze for its basic subscription package. Sirius XM also introduced a lower priced option, known as "a-la-carte," wherein a subscriber may choose to only receive specific channels at a lower rate. I am alarmed that the F.C.C. now seeks to ignore the "voluntary" part of this concession, and replace it with a government ordered pricing structure, as its comment notice suggests.

There is not a day that goes by, that some analyst or journalist writes a derogatory article claiming that Pandora will put Sirius XM out of business in the not too distant future. Internet Radio companies are allowed to advertise nationally and locally, as well as offer a subscription option. The unregulated nature of the Internet creates an unfair playing field, because the F.C.C. does not allow Sirius XM to target local advertising. No such limitations are placed on terrestrial radio, either. Just in the past week, General Motors announced that it will be including Pandora in its cars.

The removal of the price cap is warranted and serves the public interest. Although Sirius XM has only started to record a small profit, it has done so at a cost of non-expansion and the loss of content. Recently, "Bubba the Love Sponge" for instance was let go over a contract dispute. Content costs are expected to increase over time, along with royalty costs. There are no government mandated price caps on what key content may cost. Major League Baseball is not broadcast on the Sirius platform because of similar monetary disputes. Content providers seldom ask for "less."

Similarly, minorities are being underserved, as the current price cap prevents Sirius XM from expanding into providing more Spanish and other foreign language programming, which it has announced its intention to provide. Such content carries with it certain costs, and it is the content on Satellite Radio that consumers such as myself find appealing.

In the end, consumers themselves will dictate a fair market value for their Satellite Radio service. With a growing number of free alternatives available, consumers have the final say. The never ending due process inflicted on Sirius XM by the F.C.C. should end now.

There are two ways to submit comments in the proceeding, either by uploading a letter you created with a text document program, or by express submission.

To upload a letter from your computer, first write and save the letter. As it turns out, word documents aren't allowed. I created the letter I submitted using "google documents" and saving it as a PDF file. I was then able to upload it.

- Step one: [Open this page](#)
- Step 2: Enter "07-57" as the proceeding number, name address, and submit.
- In the last field titled "documents," click browse and enter the file info. Review and submit.

To use the express filing option:

- Step one: [Open this page](#)
- step 2: verify that 07-57 is the proceeding number, and type in your name and address
- step 3: write your comments in the box provided. Review and submit.

ECFS Express

\* Proceeding Number: 07-57

\* Name of Filer:

Email Address:

Address

\* Address Line 1:

Address Line 2:

\* City:

\* State:

\* Zip:

+4:

\* Type in or paste your brief comments

Continue

Reset

1

**[Is SIRI A Buy Or Sell?](#)**

Louis Navellier Reveals Best/Worst Stocks To Own. Get A Free Report  
[www.InvestorPlace.com](http://www.InvestorPlace.com)

Share

Tags: [satellite radio](#), [SIRI](#), [Sirius News](#), [Sirius XM](#)

This entry was posted on 02/23/2011 at 8:51 am and is filed under [Media News](#), [SIRI News](#). You can follow any responses to this entry through the [RSS 2.0](#) feed.

**4 Responses to *It's Time To Tell F.C.C. What You Think: Fire At Will***

1. R A F on 02/23/2011 at 9:23 am

Your letter is perfect, Brandon. I will plan to forward it to the FCC along with some cover comments of my own, strongly reinforcing all the points you have made. The continuing adversarial stance of the F.C.C. is really deplorable and should be aggressively challenged, as you have noted.

[Log in to Reply](#)

2. JohnnyBBQ on 02/23/2011 at 9:47 am

Done!!!

[Log in to Reply](#)

- JohnnyBBQ on 02/23/2011 at 10:22 am

In my own words

[Log in to Reply](#)

3. Brian65pls on 02/23/2011 at 10:17 am

#1

Do not repeat what BM said. Their is software that can tell quickly that the communication was 'form' 'group' generated. I'll be making my own comment in my own words.

[Log in to Reply](#)**Leave a Reply**

You must be [logged in](#) to post a comment.

**User Login**

Username

Password

☐ Remember Me

Log In

- [Register](#)
- [Lost your password](#)

pro-edition

Satwaves

Users Online (27)

Username

dsh

sml22

saltwalter

juggalo

USAFCMS

BBF

BMatthews

Lexie

Siri Intl

moose101

I\_Know\_Nothing

runningwild46

ralphy1

MrFinn

boneyard

hoping



Search & Hit Enter

Advertisements





## Recent Posts

- [It's Time To Tell F.C.C. What You Think: Fire At Will](#)
- [A Look Ahead At Sirius XM And Liberty: What Investors Need To Know](#)
- [Sirius XM Investors Eye Liberty Intentions](#)
- [SiriusXM Radio to Offer Live Coverage of ICC Cricket World Cup](#)
- [SIRI Technical Update 2/18/2011](#)

## Recent Comments

-    
JohnnyBBQ on [It's Time To Tell F.C.C. What You Think: Fire At Will](#)
-    
Brian65pls on [It's Time To Tell F.C.C. What You Think: Fire At Will](#)
- +2    
JohnnyBBQ on [It's Time To Tell F.C.C. What You Think: Fire At Will](#)
- +3   R A F on [It's Time To Tell F.C.C. What You Think: Fire At Will](#)
-    
vivasiriusxm on [A Look Ahead At Sirius XM And Liberty: What Investors Need To Know](#)

## Links

- [Privacy Policy](#)
- [Terms of Service](#)

## Archives

- [February 2011](#)
- [January 2011](#)
- [December 2010](#)
- [November 2010](#)
- [October 2010](#)
- [September 2010](#)
- [August 2010](#)
- [July 2010](#)
- [June 2010](#)

## Pages

- [Authors](#)
- [Brandon Matthews](#)
- [Contact](#)
- [Contributors Wanted!](#)
- [Dr. Paul Price](#)

- [FAQ's / Help](#)

#### Categories

- [Analyst Ratings](#)
- [Announcements](#)
- [Auto News](#)
- [Market Watch](#)
- [Media News](#)
- [SIRI News](#)
- [Sirius XM Programming News](#)

#### Resources

- [Themes by bavotasan.com](#)
- [Support Forum](#)
- [bavotasan.com](#)
- [Affiliates Program](#)

Copyright © 2011 [Satwaves Pro Edition](#). All Rights Reserved.

Magazine Premium created by [Themes by bavotasan.com](#). 

This page is copy protected

⌂